

VIGILANCE PLAN 2021



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INTRODUCTION

This document describes Veolia’s vigilance plan (the Plan) in application of French law no. 2017-399 relating to the duty of vigilance of parent companies and subcontracting companies. This plan is based on “reasonable due diligence measures to identify risks and prevent severe impacts on human rights and fundamental freedoms, on people’s health and safety and on the environment”.

Under this law, the Plan must include the following items:

- a risk map;
- an assessment of subsidiaries, suppliers, and subcontractors;
- a whistleblowing system;
- action plans;
- a monitoring and assessment system.

Note that the structure of this plan does not necessarily follow the same order as the list of items above. This is a deliberate choice which reflects Veolia’s appropriation of the duty of vigilance law’s requirements.

In addition, the Plan applies to the entire Group.



2021 ACTIVITY REPORT

Following on from the momentum in 2020, Veolia's duty of vigilance system continued to mature in 2021. The following actions can be identified:

■ **Deployment of a "Duty of vigilance guidelines":**

this document specifies the Group's expectations as regards the implementation of the duty of vigilance. In particular, it should serve to facilitate the appropriation of this issue by the business units. Prior to its distribution, this standard was formally approved by the Group's Human Rights and Vigilance Committee.

■ **Use of the conclusions of the human rights risk map:**

the update of this map in 2020 led to the launch of work aimed to provide the Group with a universe of human rights risks, and to design a dedicated e-learning module.

■ **Optimising the performance of the Group's Environmental and Industrial Management System (EIMS):**

based on the update of the types of environmental risks carried out in 2020, the 2021 annual EIMS campaign has enabled to introduce environmental indicators and action plans that are not only more numerous, but also more appropriate.

■ **Reinforcement of the monitoring of implemented measures:**

the monitoring of the implementation of the Group's "duty of vigilance" system was reinforced by means of an evaluation campaign. The latter provides a more accurate picture of Veolia's overall level of control of the duty of vigilance issue.

The improvements made to the Group's duty of vigilance system such as described above are in line with the improvement approach promoted by the law.

GOVERNANCE

This section details the governance architecture implemented by Veolia to meet the law's requirements: resources allocated to develop the Plan, methods to monitor it, and, finally, essential characteristics of the whistleblowing system.

2.1 RESOURCES COMMITTED

The following individuals and functions help manage and implement the Plan:

- Group Secretary General
- Functional departments:
 - Purchasing
 - Public Affairs
 - Compliance
 - Sustainable Development
 - Legal
 - Human Resources
 - Risks
 - Business and Performance Support
- Human rights Manager reporting to the Compliance Department
- Network of compliance directors and officers
- Network of sustainable development directors and officers
- Network of human resources managers
- Representatives of operational areas

The Human Rights Manager is in charge of managing and coordinating the duty of vigilance process for the entire Veolia Group.

2.2 PLAN MANAGEMENT

The Human Rights and Vigilance Committee (the Committee) is the essential steering body for the Plan. In particular, made up of the individuals and functions listed above, it forms the cornerstone of the monitoring and assessment system as required by the duty of vigilance law. The Committee notably rules on:

- the selection of monitoring indicators, their performance, and their relevance;
- the nature and completeness of publications relating to the duty of vigilance;
- the validity of the conclusions of the dedicated risk mapping implemented;
- the results of the action plans: progress, relevance, effectiveness, etc.;
- the follow-up given to alerts falling within the scope of the duty of vigilance law reported via the whistleblowing system;
- any ad hoc measure/question relating to the duty of vigilance.

2.3 WHISTLEBLOWING LINE

In accordance with the law's requirements, Veolia has implemented a whistleblowing system, available both to Group employees and third parties, to ensure that situations relating to the duty of vigilance are reported. Through this system, authors of reports are able to remain anonymous if they wish, even if this method is not recommended as it does not guarantee optimum processing of the reports received.

The Group Ethics Committee is in charge of this procedure. Upon receipt of a report under the duty of vigilance law, the Ethics Committee transfers it to the Compliance Department for processing. At the end of its investigations, the Compliance

Department submits its conclusions to the Ethics Committee which then closes the alert and archives it after having informed its author.

The link to be used by third parties to refer to the Ethics Committee on this subject is set out below:

<https://veolia.whispli.com/fr/tiers-ethique>

METHODOLOGY

In order to develop the Plan, the methodological approach applied needed to be specified as it determines the content of Veolia's response to the law's requirements.

3.1 SCOPE

As stated in the introduction, the Plan applies to all Group activities (Water, Waste, and Energy).

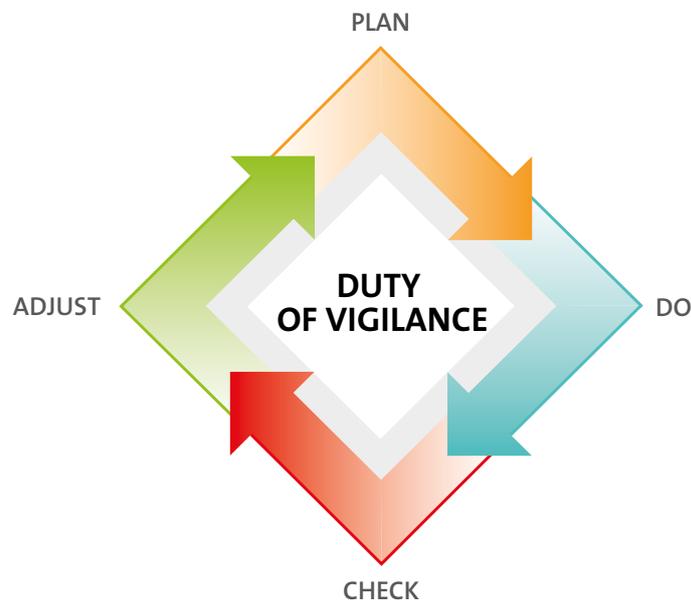
Veolia is present in 52 countries⁽¹⁾ and employed 176,488 people as of 31 December 2021. The Group is organised into nine geographical zones (Water France, Waste Solutions (France), Central and Eastern Europe, Northern Europe, Africa and Middle East, North

America, Latin America, Asia, Australia and New Zealand), plus an additional global zone for worldwide speciality companies (Veolia Water Technologies, SADE, etc.). The organisation within the geographic zones is structured per country (operational unit or business unit) and the country directors are also responsible for the various business lines in their scope.

3.2 APPROACH

The concern for monitoring and assessment promoted by the duty of vigilance law is part of a continuous improvement process. The latter is based on the Plan-Do-Check-Adjust (PDCA) approach which can be mapped out as follows:

This method appears relevant due to the cyclic operation it is based on. If the method is implemented satisfactorily, this triggers a positive dynamic combining reflection, achievement and adaptation, which is meant to help organisations improve their performance.



(1) Countries in which Veolia has permanent operations with personnel and employed capital of more than 5 million euros.

3.3 RISK MAPPING

Risk assessment is an essential step in developing the Plan. Its results have a decisive influence on the policy and actions taken to meet the duty of vigilance law's requirements.

It should be emphasised that, unlike standard mapping, which is generally focused on the organisations sponsoring them, the duty of vigilance risk assessment is focused outwards on the direct impacts that the business activities may have on third parties⁽¹⁾.

Veolia's risk mapping is based on its own methodology developed by the Group's Risk Management Department. This approach is adapted, if necessary, to take into account the specificities of each of the themes falling within the scope of the law: human rights and fundamental freedoms, health and safety, environment, and supply chain.

The main risk mapping methods used are:

- working groups involving functional departments;
- questionnaires to encourage feedback to nurture analysis and reflections during the risk assessment;
- discussions between the head office and operations to ensure consistency and feed the sorted results of the mapping process.

For the sake of clarity, a separate presentation of the conclusions of the mapping for each of the duty of vigilance law's themes seemed the most relevant (see part 4 – Risk mapping results).

3.4 INDICATORS

Monitoring indicators contribute to the duty of vigilance law's effectiveness because they help guide:

- deployment of actions taken and the assessment of their effectiveness;
- reflection on the application of the law by Veolia.

Their performance is presented in part 7 – Key performance indicators.

(1) Including employees of companies involved in the application of the duty of vigilance.

RISK MAPPING RESULTS

In line with the methodology developed in section 3.3, mapping conclusions are grouped into four separate sections corresponding to the duty of vigilance law's themes.

A presentation in the form of tables was favoured, the use of a materiality matrix not necessarily seeming the most relevant approach to best understand the issues related to the risks identified during the mapping stage. Similarly, a breakdown by theme seemed more judicious for a clearer understanding by the Group's stakeholders of the duty of vigilance risks induced by Veolia's activities.

The summary tables are structured as follows:

- **Risk category:** generic title of the identified risk;
- **Example(s):** illustration(s) of the materialisation of the risk;
- **Possible cause(s):** factor(s) that may be causing the risk;
- **Possible consequence(s):** potential impact(s) in the event of an incident.

It should be noted that the tables below present the main risks related to duty of vigilance themes. However, they are not exhaustive. The risk mapping will need to be regularly updated to ensure continuity of their relevance over time.

4.1 HUMAN RIGHTS

Following on from the analyses conducted in 2014 and 2016, and as acted in 2019 by the Human Rights and Vigilance Committee, the human rights risk map was updated in 2020 through a survey. It relied on a methodology developed by the Risk Management Department, combining the results of studies conducted at Group level with contributions from the operational entities. Contrary to the previous surveys, the 2020 one was completed on a Group-wide basis. A little over 520 employees took part in it. The latter were selected so as to ensure the panel was representative of the human rights issue: purchasing, human resources, health and safety, business development, risk management, sustainable development, compliance, and executive managers.

The study found that the three most significant "human rights" risks for Veolia are:

- environmental and natural resources incidents;
- discriminations;
- health and safety.

This observation illustrates the interdependence of the topics covered by the law on the duty of vigilance.

On this basis, it was decided to present the risks such as the survey revealed them in the summary table below. However, in order to preserve the overall legibility of this chapter, issues linked to employees' protection at work and the environment are treated in the two dedicated sections on pages 10 and 11.

RISK CATEGORY	EXAMPLE(S)	POSSIBLE CAUSE(S)	POSSIBLE CONSEQUENCE(S)
Environmental and natural resources incidents		Refer to section 4.3	
Discriminations	<ul style="list-style-type: none"> • Discrimination against lesbian, gay, bisexual, transgender, and intersex people • Disability • Origins, religion, nationalities • Workplace gender equality: percentage of employment of women, percentage of women in management, percentage of female executives, percentage of women sitting on the boards of directors of Group companies, including Veolia 	<ul style="list-style-type: none"> • Lack of manager involvement • Lack of a human resources framework and procedures to deal with these subjects 	<ul style="list-style-type: none"> • Career hindered or blocked • Ostracism
Health and safety		Refer to section 4.2	
Freedom of association and right to collective bargaining	Workers unable to organise their representation	<ul style="list-style-type: none"> • Local legislation prohibiting unions • Management's refusal to dialogue with workers 	Deterioration of the company's social climate
Lifestyles of local communities	Native community affected by the presence of Veolia's activities	Lack of inclusion of local communities in projects	<ul style="list-style-type: none"> • Relocation of communities • Impact on communities' productive activities
Forced labour	Immigrant workers who may be taken advantage of due to their migrant status	Unfavourable cultural and legislative environment	Rights of vulnerable workers regarding issues such as pay, paid leave and freedom to terminate their employment contracts
Child labour	Children illegally sorting waste in landfills managed by Veolia	<ul style="list-style-type: none"> • Unsecured site • Existence of a sizeable informal sector • Poverty of local populations 	<ul style="list-style-type: none"> • Negative impact on the level of education • Injury • Death

Note: risks relating to suppliers and subcontractors are covered in section 4.4.

The risk of a cultural gap must be kept in mind to ensure the effectiveness of Veolia's human rights policy. The Group's initiatives to

promote these issues internally could effectively be frowned upon and even backfire in certain countries in which Veolia operates.

4.2 HEALTH AND SAFETY

RISK CATEGORY	EXAMPLE(S)	POSSIBLE CAUSE(S)	POSSIBLE CONSEQUENCE(S)
Traffic at work	<ul style="list-style-type: none"> Traffic on public roads Machinery co-activity on a site 	<ul style="list-style-type: none"> Vehicle traffic standard insufficiently known and implemented Accidents caused by third parties 	<ul style="list-style-type: none"> Injury Death
Work in confined spaces	<ul style="list-style-type: none"> Work in sewers Work in a tank 		
Handling hazardous goods and chemicals	<ul style="list-style-type: none"> Handling chemicals in laboratories Unloading chemicals 		
Hot work	<ul style="list-style-type: none"> Use of an oxyacetylene torch Use of hand-held tools (grinder, etc.) 	Non-compliance with safety standards	<ul style="list-style-type: none"> Injury Death
Excavation and trenching works	<ul style="list-style-type: none"> Landslide (earth instability) Landslide of an excavation open on one side 		
High pressure – Hydroblasting	<ul style="list-style-type: none"> Cutting and/or perforation by water jet “Whiplash” physical trauma, blows received from an out-of-control flexible lance head 		
Use of electricity	<ul style="list-style-type: none"> Electric shock Electric arc burns 	<ul style="list-style-type: none"> Non-compliance with regulations and industry standards Non-compliance with safety standards 	<ul style="list-style-type: none"> Injury Death
Lifting operations	<ul style="list-style-type: none"> Hazards linked to loads (slinging problems, etc.) Contact or collision of a crane or its load with people or facilities 		
Work at a height	<ul style="list-style-type: none"> Work on a building's flat roof Use of ladders 	Non-compliance with safety standards	<ul style="list-style-type: none"> Injury Death
Securing facilities	<ul style="list-style-type: none"> Incomplete lockout of energies (electrical, mechanical, hydraulic, pneumatic, etc.) Equipment that can move by force feedback 		

4.3 SERIOUS ENVIRONMENTAL INCIDENTS

The elements set out in the table below are based on the results of the 2021 annual campaign of Veolia's Environmental and Industrial Management System (EIMS) (see section 6.3). The EIMS

makes it possible to identify the risks linked to degraded operating conditions or accidents likely to lead to serious environmental incidents in the facilities operated by the Group.

RISK CATEGORY	EXAMPLE(S)	POSSIBLE CAUSE(S)	POSSIBLE CONSEQUENCE(S)
Discharges and emissions into the environment	Exceeding regulatory thresholds for discharges of wastewater treated by an effluent treatment plant	Technical failure of the system monitoring the quality of the wastewater to be treated	<ul style="list-style-type: none"> • River pollution • Potential impact on human activities in the area concerned
Quality and Compliance			
Fire/explosion on a Veolia site	Fire in a sorting centre	Presence of lithium-ion batteries among the materials to be recycled	<ul style="list-style-type: none"> • Interruption of operation • Air pollution by smoke from the fire and potential discharge of water used on fire into the environment
Health and environment	Exceeding Legionella bacteria thresholds in domestic hot water networks and/or air-conditioning facilities and/or in air cooling towers	Detection and monitoring system failure	<ul style="list-style-type: none"> • Interruption of operation • Potential impact on the health of the people exposed to these micro-organisms

Note: this plan does not cover the fight against global warming as this does not fall within the scope of the law on the duty of vigilance, the primary aim of which is to protect workers and populations in the context of global supply chains. Beyond compliance with legal texts, the global warming issue is nonetheless a major

subject which falls within our collective responsibility. In this respect, Veolia's commitment and actions to fight global warming are described in detail in our 2021 universal registration document⁽¹⁾, in particular in the extra-financial performance report (see section 4.2.3 – Combating global warming).

(1) <https://www.veolia.com/fr/newsroom/publications>.

4.4 TIER 1 SUPPLIERS AND SUBCONTRACTORS

RISK CATEGORY	EXAMPLE(S)	POSSIBLE CAUSE(S)	POSSIBLE CONSEQUENCE(S)
Poor working conditions	<ul style="list-style-type: none"> Inadequate employee training in health and safety No provision of personal protective equipment to employees Production equipment that may affect employee health and safety (noise, odour, vibrations, processes using toxic substances) 	<ul style="list-style-type: none"> Non-compliance with health and safety standards in force Non-compliance with the jointly approved provisions and systems provided for in the prevention plan 	Endangering the physical safety of supplier and subcontractor worker
Failure to respect freedom of association and the possibility of collective bargaining	Lack of dialogue between management and employee representatives	<ul style="list-style-type: none"> Unions not recognised by law Oppressive social environment with regard to workers' rights 	<ul style="list-style-type: none"> Deterioration of the social climate among Veolia's suppliers and subcontractors Potential abuses of the rights of workers in Veolia's supply chain
Environmental incidents within the supply chain	Harmful discharges from supplier manufacturing sites	Weak environmental legislation in force	<ul style="list-style-type: none"> Impact on the environment Deterioration of the health of supplier and subcontractor workers Health of neighbouring populations affected
Forced labour	Immigrant workers who may be taken advantage of due to their migrant status	Unfavourable cultural and legislative environment	Rights of vulnerable workers: pay, paid leave and freedom to terminate their employment contracts
Child labour	Children employed by a supplier or subcontractor	<ul style="list-style-type: none"> Failure to implement local legislation on the prevention of child labour Sizeable informal economy 	<ul style="list-style-type: none"> Negative impact on the level of education Injury Death

ASSESSMENT

This section describes how Veolia meets the assessment requirement as laid down by the duty of vigilance law. This review is based, in particular, on the activities of the functional departments and the Internal Audit Department. The results of these analyses are detailed in section 6 – Actions.

5.1 MOBILISATION OF CONTROL LINES

The monitoring system deployed by the Group is based on the implementation of the “three lines of control⁽¹⁾” model. The level 2 role of functional departments aims to ensure that control procedures are properly implemented by the operational level (level 1). Internal audit⁽²⁾ acts as level 3 and is a function the purpose of which is precisely to evaluate organisational performance. It therefore has the appropriate methodological tools and approaches to make a broader assessment of the effectiveness and efficiency

of the systems in place in view of the law’s requirements.

The Group’s “duty of vigilance” system is subject to an annual assessment led by the compliance function, which acts as a second-level control. The BUs are questioned about the governance and the monitoring of risks and the dedicated action plans they are implementing. The elements provided by the operational entities are then reviewed by the Group’s Compliance Department.

5.2 DIALOGUE WITH SUBSIDIARIES

The Committee is the main forum for discussions between the management and operational entities on matters relating to the implementation of the duty of vigilance. Representatives of the latter have the opportunity to share their experiences in

this field (local initiatives, difficulties experienced, etc.). These discussions are supplemented, where necessary, by ad hoc interactions between the Group’s Human Rights Officer and the operational entities.

5.3 TIER 1 SUPPLIERS AND SUBCONTRACTORS

Veolia is committed to establishing long-term relationships with its tier 1⁽³⁾ suppliers and subcontractors. This commitment is necessary and essential given the complexity of the production processes implemented by the Group.

The Purchasing Department applies a risk-based approach targeting purchasing categories. During the call-for-tenders phase, suppliers considered to be most at risk are required to submit a compliance/corporate social responsibility (CSR) questionnaire. This contains questions about its social, environmental and societal commitments and performance. In case of non-compliant answers to certain targeted questions, the buyer, with the help of the Compliance Department, can decide to remove the supplier from the panel.

During the annual evaluation campaigns and strategic tenders, policies, actions and results of suppliers are subject to an additional assessment. This process also includes a “360°” review of

whether the supplier is on any list of government sanctions, any convictions, and any links to exposed political persons.

This assessment provides information on the supplier’s CSR performance in the following four areas: environment, human rights, ethics and responsible purchasing. At the end of this process, these companies are given a score reflecting their CSR maturity. This result determines the possible implementation of actions by Veolia and the supplier based on the following categories:

- A: overall score in line with Veolia’s expectations;
- B: overall score not in line with Veolia’s expectations.

The associated action plans are detailed in section 6.5.

During calls for tender, the supplier’s CSR performance is thus systematically taken into account when evaluating their proposal, with a weighting of 5% to 20%.

(1) The three lines of defence model can be described as follows:

In terms of risk management, management control is the first level of defence, the various risk control and compliance functions, the second, and the independent assurance function, the third. Each of these three “lines” plays a separate role in the larger framework of the organisation’s governance. (The Institute of Internal Auditors, Position Paper, January 2013.)

(2) Internal audits are independent and objective, and provide an organisation with reasonable assurance on the level of control of its operations and guidance for improvement. They help the organisation achieve its objectives by systematically and methodologically assessing its risk management, control, and corporate governance processes, and provide recommendations to reinforce their effectiveness (source: Ifaci).

(3) Suppliers and subcontractors with which the Group has a direct relationship.

ACTIONS

6.1 WORK OF THE HUMAN RIGHTS AND VIGILANCE COMMITTEE

The Committee, the Group's central governance body in the duty of vigilance, plays an active role in implementing the law. The three meetings held in 2021 focused on:

- ensuring the implementation of Veolia's "Duty of vigilance guidelines": these guidelines aim to facilitate the appropriation of the duty of vigilance issue by the operational entities. Prior to their dissemination, these guidelines were formally approved by the Committee;
- a monitoring activity: although the French legislation on the duty of vigilance is a reference in this area, it is in line with a

more global legislative movement. As such, other countries in which the Group operates have adopted similar texts (see section 6.2.2). Moreover, Veolia carefully follows the work currently being carried out by the institutions of the European Union aiming to establish a duty of vigilance applicable to all 27 member states;

- supervising the use of the conclusions of the Group's human rights risk mapping carried out in 2020: work has been launched to provide Veolia with a universe of human rights risks and to design a dedicated e-learning module.

6.2 HUMAN RIGHTS IN THE WORKPLACE

6.2.1 Priority issues

Veolia has been a member of the United Nations Global Compact since June 2003. Under the Global Compact, it is committed to supporting and promoting the ten principles relating to human rights, labour law, the environment, and combating corruption. Veolia's principles of action also fall within the framework of international reference documents, including the Universal Declaration of Human Rights and additional pacts and the Organisation for Economic Cooperation and Development (OECD) guidelines for multinational companies.

Respect for these fundamental rights is naturally included in the human rights policy defined by the Group. The formalisation of the latter in 2016 led to the creation of the Committee in charge of managing Veolia's human rights system. The Group has also been committed for years to respecting the human rights of its employees, its subcontractors and suppliers as well as communities located in the regions in which it operates. This attachment to human rights is reflected in its sustainable development commitments as well as in the fundamental values and principles laid down in its Ethics Guide.

Veolia's human rights policy addresses eight priority issues:

- three issues related to the rights of the populations affected by its activities:
 - right to a healthy environment and protection of resources,
 - access to water and sanitation,
 - rights and respect of the lifestyles of local communities;
- five issues related to fundamental rights at work:
 - elimination of forced labour,
 - abolition of child labour,
 - elimination of discrimination,
 - promotion of freedom of association and collective bargaining,
 - right to a healthy and safe working environment.

The Human Resources Department and the Compliance Department are committed, with the Group's other functional departments and all the operational entities, to enforce these rights.

6.2.2 Implementation

FUNDAMENTAL HUMAN RIGHTS

In June 2019, Veolia organised, with the World Business Council for Sustainable Development (WBCSD) and the "Entreprises pour les droits de l'homme" (EDH) association, a morning of discussions on "Human rights and sustainable development objectives: involvement of CEOs, responsibility of companies and opportunities".

As Veolia is resolutely committed to these issues, the Chairman and Chief Executive Officer Antoine Frérot, co-signatory of the WBCSD's "CEO Guide to Human Rights", took advantage of this meeting to invite his peers to take action on these issues.

Veolia is also a member of EDH, which brings together 22 major French companies. This organisation focuses its efforts on the operational implementation of human rights and, by extension, the duty of vigilance. EDH's vocation is to serve as a forum in which members can discuss the issues they face and best practices to overcome them.

In the context of its EDH membership, Veolia contributed to a study pertaining to the application of the law on the duty of vigilance⁽¹⁾ published in 2020. On this occasion, the Group shed its light on the governance issue, a crucial subject for the effective implementation of this law.

Because of its business model, Veolia's operations are extensively decentralized. This gives the BUs considerable organisational freedom. In this respect, as part of the implementation of the duty of vigilance, the Asia zone has set up seven local human rights committees to monitor issues related to the French law on duty of care as closely as possible.

(1) https://e-dh.org/fr/actualite_accueil.php?IDactu=146.

FIGHT AGAINST MODERN SLAVERY

The United Kingdom and Australia have passed Modern Slavery Acts (MSA) in 2015 and 2018 respectively. Modern slavery consists in labour exploitation practices which violate human dignity and fundamental rights: human trafficking, servitude, servitude for debts, child labour, forced labour, etc.

Considering their size, Veolia's entities in both these countries are concerned by these regulations. It was also decided to apply the Australian MSA rules to the activities based in New Zealand. The Group sees these two laws as an opportunity to strengthen its internal organisation in order to be able to fight modern slavery more effectively. Consequently the local Veolia subsidiaries have deployed specific measures, including:

- a steering committee involving internal stakeholders such as human resources, compliance, health and safety, legal, audit, sustainable development, purchasing, etc. This committee is responsible for defining the company's strategy on modern slavery and agreeing on action plans;
- a policy stating Veolia's commitment to combat modern slavery, explaining the general principles the Group intends to follow in this regard;
- an assessment to better understand the risks to which the operational entities are exposed;
- dedicated procedures explaining how to manage the modern slavery issue from an operational point of view;
- training programmes exist both in the United Kingdom and the Australia/New Zealand zone to raise awareness among personnel regarding modern slavery issues, including the identification of known situations and the principles of safe reporting;
- a public statement available on the external websites of the subsidiaries involved, in compliance with local legal requirements.

COHESION AND SOCIAL DIALOGUE

To promote social dialogue quality and development, Veolia ensures that it is properly implemented at all levels of the organisation:

- at company or establishment level, where many subjects having an impact on the daily lives of employees are negotiated, social agreements signed supplement the Group's directives and agreements;
- at country level, which brings together joint information and dialogue bodies dealing with all national cross-cutting themes;
- at Group level, within the France and Europe Group committees.

Role of Group committees

Veolia has set up, by agreement, a France Group Committee and a Europe Group Committee. The Europe Group Committee represents more than two thirds of Veolia employees. It is composed of 17 countries: Belgium, Bulgaria, Czech Republic, Denmark, France, Germany, Hungary, Italy, Lithuania, Luxembourg, Netherlands, Poland, Portugal, Romania, Slovakia, Spain, and the United Kingdom. Group committees are Veolia's key transformation players. They receive information on activity, the financial situation, and

employment. They must be informed in the event of a restructuring, acquisition, or sale plan. They are also informed and consulted each year through discussions on the Group's strategic directions and their social consequences.

The agreements signed with trade unions at Group France level as well as the agreements in the form of joint commitments made within the Europe Group Committee attest the management's desire to structure quality social dialogue with employee representatives and thus contribute to the Group's action in favour of all its employees.

Review of collective bargaining agreements

In 2021, 1,259 new collective bargaining agreements were signed by establishments, companies, or Group bodies in each country. All of these collective bargaining agreements have an impact on the company's social and economic performance.

43 countries were signatories to these agreements. The top five were France, Japan, Germany, Poland, and the Czech Republic. At the end of 2021, the number of employee representatives worldwide stood at 7,426. 54 strikes were recorded in 2021, representing 0.01% of the total number of days worked.

France Group agreements and commitments made within the Europe Group Committee

SIGNATURE DATE	PURPOSE OF THE AGREEMENTS
2015	Agreement on the Group's strategic orientations. The representatives of the France Group Committee bureau, the representatives of French trade union organisations, and the Europe Group Committee meet once a year to discuss the Group's strategy and its social consequences in the presence of senior executives in charge of strategy and operations.
2017	Renewal of the agreement bearing on the generation contract at France Group level. This contract specifically deals with the integration of young people and the employment of seniors. New France Group agreement for the forward planning of jobs and skills.
2018	Agreement in the form of a letter of undertaking with the Europe Group Committee on developments in business lines and skills, particularly with regard to the company's strategic directions, thus supplementing the Group management's joint commitments with the Europe Group's Prevention, Health and Safety Committee. Amendment modifying the Group pension plan (PERCO) into a collective pensions saving plan (PERCOL), thus enabling Group employees to benefit from the advantages offered by the Pacte law.
2020	Agreement on social dialogue quality and development within Veolia France. This France Group agreement replaces the 2010 agreement on the same subject and provides, in particular, for the establishment of a global support, promotion, and recognition system as part of the trade union scheme.
2021	Amendment to the 2018 letter of undertaking on "supporting changes in jobs and skills, particularly in relation to the Group's strategic directions" and integrating the "diversity and inclusion policy within the Group". This amendment follows the priorities for action relating to diversity and the fight against the various types of discrimination identified by the dedicated working group of the Europe Group Committee.

Training for social partners

Training employee representatives in their functions is essential to ensure quality social dialogue with regard to the Group's economic and social stakes. It also means recognising an essential internal stakeholder: the Group's employees and their representatives. As such, since 2010, the Europe Group Committee members have received high-level training enabling them to more broadly approach the diversity of trade union cultures as well as the plurality of Veolia's businesses and its issues.

As part of the implementation of the European letter of undertaking signed on 30 May 2018, Europe Group Committee members received training on "How to apply the European letter of undertaking on supporting the development of business lines and skills" in 2019 to enable them to share existing national practices in the field, prepare to disseminate and share the letter of undertaking within the social dialogue spaces of each country, and design in advance the work to prioritise commitments.

In 2021, as part of the new term of office, the members of the Europe Group Committee benefited from online training aimed to improve understanding between committee members and thus facilitate discussions and joint work, as well as help them to appropriate their role as European employee representatives. In addition, in the context of the provisions of the 2010 French Group agreement, revised in 2020, trade union seminars have been set up by each organisation in order to better structure itself and identify priorities in relation to the Group's social policy. These seminars for the representative trade union organisations are repeated every year and are the subject of an open dialogue session with the Group's Human Resources Department. The new agreement on the quality and development of social dialogue signed in 2020 also provides for a global system for managing trade union representatives' careers and supporting them at the end of their terms of office. Training on social dialogue and collective bargaining can also be implemented under this social dialogue agreement. In 2020, Veolia in France is the first company to join forces with Afpa to support employee representatives in their skills certification process.

Global Deal membership

In line with its sustainable development commitments, in particular with regard to guaranteeing diversity as well as fundamental human and social rights, Veolia joined the Global Deal initiative.

The Global Deal is a platform initiated by the Swedish government, relayed by the French Ministry of Labour, and developed with the International Labour Organisation (ILO) and the OECD, founding partners of this initiative. It aims to face the challenges of globalisation of the economy and the labour market by developing, through social dialogue, a balanced and responsible approach. The Global Deal brings together various stakeholders: governments, companies, trade unions and other bodies at all levels (national, local, or global). Membership is based on three key areas: voluntary commitment, sharing knowledge in order to build open and responsible social dialogue, and sharing good practices between Global Deal stakeholders. Veolia's commitments and initiatives, as well as its social dialogue monitoring and assessment procedures, were mentioned in the "Global Deal Flagship Report" jointly published by the OECD and the ILO. This publication explains how social dialogue is a response to the

current challenges of the labour market and the globalisation of the economy. Veolia is actively participating in the Global Deal France working groups, particularly on the future of work and the development of skills.

Veolia's experience of international social dialogue focused on skills was presented in 2019 as part of the publication "Global Deal members commit to the Social G7" and more recently in 2021 on the creation of a social dialogue quality index, currently being validated within the Global Deal bodies and its partners at the ILO and the OECD.

DIVERSITY AND INCLUSION

Diversity and inclusion are intrinsically linked, their promotion being a means of combating all forms of discrimination.

Diversity policy

The Group is committed to ensuring respect for diversity and fundamental human and social rights within the company. Diversity is a performance, credibility, and fairness issue for the Group. To encourage this, Veolia has implemented a policy based on the values of respect and solidarity between all employees for several years. In the Diversity & Inclusion 2020-2023 letter of undertaking, signed in 2020 by the Group's Senior Executive Vice-President for Human Resources, Veolia reaffirmed its ambition to be an ever more diverse and inclusive company, guaranteeing respect, equity and individual social advancement. This letter restates the three priorities of the Group:

- ensuring fair and non-discriminatory HR processes for all categories of staff, from the moment they join the company right through to the end of their careers;
- guaranteeing non-discriminatory access to employment at Veolia (in terms of age, origin, disability, gender, sexual orientation, religion, etc.);
- guaranteeing the development of social dialogue and employees' freedom of speech.

It also states that the Group is committed to:

- continuing to implement action plans for diversity and gender equality (development of local WEDO networks/pay and career equality between men and women);
- developing and/or designing social inclusion programmes for people with disabilities;
- developing and/or creating inclusion programmes for LGBTI people in line with Veolia's support for the UN recommendations to companies in this area;
- developing and/or creating action plans for social inclusion and individual advancement.

In accordance with applicable local laws and regulations Veolia does not permit or support any type of discrimination based on age, health status, sex, gender identity, sexual orientation, pregnancy, disability, origin, religion, political opinions, philosophical opinions, family status, morals, patronymics, trade union activities, place of residence, vulnerability resulting from one's economic situation, migrant status, belonging or not belonging, real or assumed, to an ethnic group, nation or alleged race.⁽¹⁾

(1) This list of examples of discrimination has been drawn up for the sake of clarity and is by no means exhaustive. As such, any other type of discrimination not mentioned in this list is strictly prohibited by Veolia.

The diversity approach

The diversity policy is supported by a global network of officers who have the following tasks:

- implement commitments;
- establish diagnoses and action plans adapted to the context;
- measure the results;
- promote innovative actions in line with Veolia's values.

In order to measure the impact of actions linked to diversity, Veolia monitors several indicators:

- **workplace gender equality:** percentage of employment of women, percentage of women in management, percentage of female executives, percentage of women sitting on the boards of directors of the Group's companies;
- **disability:** employment rate of individuals with disabilities;
- **seniors:** employment rate of the over 55s;
- **young people:** employment rate of the under 30s.

Workplace gender equality

To attract talent and give roles to women, at all levels and across all of its business lines, the Group has planned an action plan dedicated to workplace gender equality, in line with the ambitions of its corporate purpose, in order to:

- develop gender balance in operations;
- increase the number of women sitting on the Group's management bodies and working in management;
- promote gender balance in representative bodies.

To promote gender balance and workplace gender equality, Veolia has set itself quantified objectives:

- 40% women on Veolia Environnement's Board of Directors;
- 30% female managers in 2023;
- 35% recruitment of female managers on permanent contracts each year;
- 25% of the Group's top 500 managers will be women by 2023;
- 50% women appointed between 2020 and 2023 among the Group's top 500 managers.

In February 2021, the Group's Human Resources Department set out the framework for an action plan at the level of each Group entity to achieve the objectives of increasing the number of women in management in line with the Impact 2023 strategic plan. The objective is to continue, accentuate existing actions or launch new actions in the field of:

- recruitment (inclusive recruitment process and young talent policy, creation of a pool of women leaders);
- identification (management succession plan including at least one woman for each manager, 50% of women in high-potential staff reviews by 2023);
- development (include 40% women in the Veolia Excellence programme and the director seminar, develop mentoring by senior managers for high-potential women managers).

Support for United Nations LGBTI standards of conduct for business

In line with its CSR commitments, its human rights policy, and its membership to the Global Compact, Veolia has given its support to the United Nations standards of conduct for businesses with a view to combating discrimination against lesbian, gay, bisexual, transgender, and intersex people. The five standards were developed by the Office of the United Nations High Commissioner for Human Rights.

Deployment of diversity and inclusion commitments

Numerous actions have been taken to promote Group diversity; they are developed via the human resources initiatives process. In 2021, 50 entities participated in the human resources initiatives collection where some 280 projects were collected. Almost a hundred were presented in the category of social responsibility, diversity and cohesion; 27 of them are highlighted in the best HR practices booklet, which is available in digital and paper versions. The prize in this category was awarded to Morocco (Redal entity) for an initiative aimed to support young female graduates from low-income backgrounds in order to support them in their academic and professional careers. To encourage and support the process of duplicating best practices (Copy&Adapt), online debates (HR&Co) are regularly organised for the entire HR community. The aim is to make good HR practices visible and to encourage their replication. In March 2021, an HR&Co focused more specifically on the subject of diversity.

In 2021, on the occasion of the International Women's Day, the Human Resources Department launched the Yes WEDO Week at Veolia, an entire week dedicated to actions on gender equality wherever Veolia is present. Some thirty entities, via human resources and the local WEDO gender diversity networks, organised more than a hundred actions.

Lasting partnerships

The Group is a partner and member of several organisations promoting diversity and equal opportunities, including the United Nations Global Compact. In June 2016, Veolia entered into a partnership with the "Elles bougent" association, which organises field meetings for female secondary school students with female sponsors, engineers, and technicians. Their accounts of their career paths show girls that technical professions are open to them. This partnership is an extension of the actions deployed by the Group's Schools and Universities Relations Department.

As part of this partnership, Veolia took part in a discussion forum in 2021 on Veolia's businesses with female students, as well as in the "Elles bougent pour l'orientation" (Women on the move for career guidance) operation, during which a dozen or so sponsors and relays presented their businesses and career paths to secondary school girls. Veolia is also a partner of the Association française des managers de la diversité (AFMD) and the À compétence égale association.

Gender balance within the Group

The Veolia Group employed at end of 2021:

- 21.7% women;
- 29% female managers;
- 22.2% female senior managers;
- 50% women⁽¹⁾ on the Board of Directors.

30.4% of senior managers appointed in 2021 were women.

Various initiatives in favour of workplace gender equality have been deployed in the various countries in which the Group has operations:

- The WEDO network: Veolia's internal network was launched in 2016, dedicated to gender balance, bringing together women and men working for Veolia who want to promote gender balance within the Group. This network, sponsored by Estelle Brachlianoff, Deputy Director General for Operations, had more than 3,000 employees from around 50 countries by the end of 2021. It is facilitated by 25 local networks over the five continents, in charge of reflection and implementation of local action plans; six meetings (How do WEDO) were organised in 2021 (a dozen since 2020) to ensure continuity in sharing best practices and reflections on the subject of gender diversity. In addition, in 2021, four WEDO conferences were proposed to network members. Themes included work-life balance, combating stereotypes and gender relations.
- A development programme called "Women in Leadership" (WIL): initiated by Veolia in North America, WIL has gradually been deployed in other regions of the world: in Europe (France, United Kingdom, Ireland, Germany, Spain, Belgium), in Africa (Morocco), in Latin America, in Asia/Oceania, and the Middle East. This seven-month coaching programme, which aims to create career development opportunities for women managers within the organisation, was taken by 42 women from 4 French-speaking countries in 2021. This programme alternates between group and individual sessions, face-to-face and remote sessions. Digital coaching and remote workshops ensure flexibility and impact, and maximise interaction by organising regular meetings between participants and their managers, who also benefit from the programme. WIL's success is measured by its high satisfaction rate. In 2021, the programme achieved a recommendation rate of almost 80% from participants.
- In direct line with the commitment to combat sexism in business signed in France, in 2016, by the Group's Senior Executive Vice-President for Human Resources, an online module to raise awareness of the fight against everyday sexism at work was launched in September 2020 with a pilot group of 1,000 people in France. More than 90% of users recommend this course, which makes this module an effective tool to better understand and manage situations of sexism at work. This module completes the awareness-raising actions already implemented in several Veolia entities.

- Regarding the workplace gender equality index that companies with more than 50 employees in France are required to publish, the results of Veolia entities in France, published in March 2021, are almost all above 75 points out of 100 (legal minimum) for a global index of 90 points out of 100. This result stems from Veolia's efforts over many years to create attractiveness and career prospect conditions enabling women to grow at the same level of remuneration and career as men.

Employment and integration of people with disabilities

The percentage of Veolia employees with disabilities worldwide was 2.4%⁽²⁾ at the end of 2021, i.e. 3,400 employees. This rate was 3.9%⁽³⁾ in France for the same year, and €11 million were devoted to the protected workers sector. Veolia wants to change perceptions, develop representations related to disability, and support the integration of people with disabilities. The Group's lines of action are:

- educate Group employees about disability;
- improve the retention of people with disabilities in their workstations by supporting them to have their disabilities recognised;
- support the ergonomic adaptation of workstations;
- encourage recruitment and support employers in the protected workers sector (centres providing care through employment – Esats in France).

On 18 November 2019, Veolia signed the "Manifesto for the inclusion of people with disabilities in the workplace", a charter of operational commitments already ratified by around 130 companies in France, to:

- better accommodate pupils and students with disabilities (internships, work-study programmes);
- fight stereotypes and discrimination;
- develop the digital accessibility of workstations;
- support social enterprises and centres providing care through employment;
- integrate social criteria relating to disability in tenders.

Veolia has long been attentive to the issue of disability and has implemented action plans in the various countries in which the Group has operations.

Several working groups have been set up to implement the ten commitments of the Manifesto. Veolia is part of the working group on commitments 1 and 2 of the Manifesto:

- welcome pupils with disabilities to companies, starting with the 3rd work placement, to enable them to clearly imagine a professional future and to give them some career advice;
- access for pupils and students with disabilities to the world of business, particularly through apprenticeships, work-based learning and work experience.

The aim is to bring together the worlds of education and business, to raise awareness of disability and to show that it is not a taboo in professional life or a barrier to employment.

(1) Excluding directors representing employees in accordance with the AFEP-MEDEF code.

(2) Number of employees reported as disabled compared to the total workforce registered on 31 December in countries which report employees with disabilities.

(3) Number of employees reported as disabled compared to the total workforce registered on 31 December in France.

As such, Veolia's entities in France are invited to take part in round tables, stands or other events to talk about the Group's disability policy and the opportunities offered in the company to people with disabilities.

In addition, several Group entities in various countries have implemented action plans and deployed awareness-raising campaigns aimed at better consideration of people with disabilities, in line with the legal framework specific to each country.

In France, as part of the Semaine pour l'emploi des personnes handicapées (SEPH, Jobs for the Disabled Week), the Disability Missions of the entities based at the Aubervilliers administrative head office organised an awareness-raising event in November 2021 for employees in the form of a serious game on series in which a character is disabled. An e-conference on so-called Dys disorders was also organised.

Veolia Eau in France signed a fifth disability agreement in 2021.

The Waste Solutions business unit in France has designed an escape game to raise awareness of invisible disabilities among employees. Gamification enables employees to develop their knowledge in a playful way and to strengthen the appropriation of messages. To date, 250 employees have been made aware through this scheme.

Siram, Veolia's Italian subsidiary, has an active disability policy that resulted in the recruitment of 23 additional disabled people in 2021. These recruitments were made through agreements with national employment agencies that oversee the hiring obligations and assist in the recruitment of people with disabilities.

Interculturality and religious diversity

Veolia is committed to integrating and respecting cultural differences (origins, languages, nationalities, etc.) in its organisation and operation.

In France, a managerial good practices guidebook on religious issues was deployed in 2017 to support day-to-day management and human resource managers likely to be confronted with this type of situation.

Veolia in the United States has been engaged for several years in the Diversity & Inclusion program, which aims to review human resources and management practices and processes to ensure that they are non-biased and non-discriminatory for employees. This programme is developed with a strong desire for cultural change, in a context motivated by the Black Lives Matter demonstrations.

Veolia in Australia has rolled out the Reconciliation Action Plan (RAP) which is a «reconciliation» plan with local indigenous communities. It aims to facilitate cultural and social change, to concretely reduce inequalities and to combat all forms of discrimination, in particular to fight against racism. The programme focuses on four key areas: education, employment, community, and business development. The major areas of focus of the project are partnerships with recruitment agencies, training and education, and culture. As part of this plan, Veolia has committed to achieving a 3% employment rate for Aboriginal and Torres Strait Islander people.

Discrimination-free recruitment

In 2020, a guidebook, "Recruter sans discriminer" (Recruit without discriminating), was drawn up for Veolia recruiters and managers in France to recall the legal framework and give concrete elements of response so as to prevent any risk of discrimination in recruitments. This guidebook is available in digital format completed by the provision of a "Recruter sans discriminer" e-learning training module. 253 Veolia employees in France completed this training in 2021. In addition to this programme, there is also a partnership that was renewed for 2022, with the "À compétence égale" association. The latter enables Veolia recruiters to benefit from good practices implemented by other businesses, as well as legal advice and even enables them to take part in brainstorming workshops on this subject.

A self-assessment of recruitment practices with regard to non-discrimination was carried out in September 2021 with a panel of employees from the Waste Solutions, SADE, Veolia Eau in France, Veolia Environnement and Veolia Water Technologies business units. 1,176 responses were recorded.

Two topics were discussed: job interviews and the integration process. The results obtained will enable the entities involved to implement corrective actions and have a collective reflection on non-discriminatory recruitment.

Combating prejudices and unconscious biases

All members of Veolia's UK Executive Committee received training on prejudices and unconscious biases in 2020. This training addressed the types of prejudices that top managers may face at work and actions to reduce them.

This training was also given to 80 managers who report to the members of this Executive Committee.

Tailor-made online training on unconscious prejudices was also given to all managers.

Completion rates will be reviewed monthly from February 2022. This training covers types of prejudice, real-life scenarios and ways to reduce prejudices.

6.3 ACTIONS RELATING TO SERIOUS ENVIRONMENTAL RISKS

Veolia's activities likely to impact the environment are mainly in the fields of water (drinking water and industrial water production, wastewater treatment), waste (treatment and recovery of all forms of waste, including hazardous waste), and energy (energy production plants, operation of local energy loops, building and industry energy services). The points to be closely monitored especially for operated facilities are, for example, atmospheric emissions (heating plants, incineration plants, CHP), liquid effluents (particularly those from treatment plants operated), the impact of waste generated and its treatment, risks of explosion or fire, and the preservation of soil and biodiversity.

In order to improve the management of its environmental impacts, the Group has implemented an Environmental and Industrial Management System (EIMS) in each of its business units to:

- measure and continuously improve the main points relating to environmental performance;
- identify the main environmental risks linked to our operations and the corresponding prevention actions.

This system is regularly audited, with, in particular, a focus on environmental risk governance and monitoring conducted by Veolia's Internal Audit Department in 2019, in cooperation with all the departments involved.

The 2021 EIMS campaign led to the definition of 602 action plans meant to improve the environmental performance of the Group's operational entities, including circular economy, biodiversity and water resources.

At operational level, due to the potential seriousness of the risks that can occur on its operating sites (waste treatment centres, waste storage centres, incineration plants, heating plants, drinking water production plants, wastewater treatment plants, etc.), Veolia implements various types of risk management and control actions:

- the prevention of incidents likely to cause damage to property, and consequently to people, or to the environment by implementing procedures aimed, on the one hand, to ensure the

conformity of facilities and monitor their operation and, on the other, to better control risks; the environmental management approach is one of the mainstays of this approach, in particular through an external certification process validating this (ISO 14001, industry standard, etc.);

- internal or external audits to identify and prevent industrial risks (fire, machine breakdown, environment, etc.). In 2021, the risk engineers of the Group's insurers carried out some 58 site inspections despite the difficult health context. These annual programmes ensure regular monitoring of the most exposed facilities over time.

In addition, a Group Prevention Committee, in which several members of the Veolia Management Committee participate, is in charge of overseeing the fire risk reduction policy with the aim of improving fire detection, containment, and automatic extinguishing capacities on operating sites. This ambition is expressed in different manners:

- the definition of technical standards validated by the risk engineers of the Group's insurance providers;
- a multi-year investment plan of several tens of millions of euros.

The action plans approved by the Group Prevention Committee are jointly monitored by the Business Support and Performance Department as well as by the Risk and Insurance Department. These two departments regularly report on the level of deployment of the fire reduction programme to this committee.

Veolia's decentralised structure also allows operational entities to take initiatives that go beyond the Group's standards. The UK and Ireland are ISO 22301 certified, which corresponds to the international business continuity reference standard. Consequently, these business units benefit from an integrated management system which strengthens their capacity to reduce environmental impacts of incidents occurring on their operating sites.

6.4 HEALTH AND SAFETY ACTIONS

6.4.1 Facing the health crisis: resilience through adaptation

As part of the management of the Covid-19 crisis, Veolia had to adapt its working methods and the operation of its sites throughout the world. Most employees continued to travel to sites every day and work in the field to maintain essential service continuity. The health prevention and work organisation measures were thus adapted to limit as much as possible SARS-CoV-2 coronavirus contamination risks and enable the protective measures to be applied as strictly as possible. This global and durable set of measures made it possible to protect all the employees.

A crisis unit based at the Group head office made it possible to coordinate, analyse the situations at global level and define priorities with regards the various contamination phases in each country.

A business continuity plan was established for each Veolia activity identified as vital. In concrete terms, this business continuity plan enabled to:

- enforce protective measures;
- limit the number of people in meetings;
- outline traffic flows;
- have part of the employees work from home;
- organise the replacement of employees who are ill or forced into isolation thanks to the teams positioned in production rotation for this purpose;
- train teams to manage an unusual situation in a “degraded” operation, while ensuring the collective and individual safety of staff;
- use and accentuate the digitisation process.

During the lockdown and easing periods, managers have established measures aiming to limit as much as possible the risk of introducing the virus at the sites. They apply to all participants (employees, temporary workers, consultants, subcontractors, service providers, etc.) who enter the Group’s sites:

- good knowledge of protective measures;
- distribution of face masks depending on the service requirements;
- disinfection and cleaning of premises;
- testing for Covid-19.

In addition to these measures, there is a psychological support system (free and anonymous), accessible to all. Additional measures adapted to each business line and site are taken in consultation with the hierarchy, based on the Group’s procedures. In 2021, where possible, vaccination campaigns were deployed in head offices and operational units. This voluntary scheme has enabled several thousand employees to be vaccinated.

Managers are in charge of the proper application of these measures, in cooperation with “Covid officers” appointed locally to the operational entities.

Controlling the risk of contamination at the Group’s sites is based on the principle of prevention, information and training. In the Voice of Resources commitment survey from the end of 2020,

Veolia employees praised the company’s management of the health crisis. As such 90% of respondents consider that Veolia is taking the right measures in the context of the Covid-19 crisis.

6.4.2 Human resources initiatives

The Group Human Resources Department, through the “human resources initiatives” approach, organises the identification of best practices among the Group’s companies.

This approach makes it possible to identify the actions carried out in line with human resources priorities, promote them and encourage their spread beyond their territory of origin. It culminates in the awarding of trophies for human resources initiatives. These highlight actions in favour of health prevention, safety prevention, skills and talent development, social responsibility, diversity and cohesion, as well as operational performance and development. The last edition, which took place in September 2021, highlighted some 38 initiatives in the field of health and safety.

6.4.3 The Group’s International Health and Safety Week

Veolia has organised an International Health and Safety Week since 2015 in order to establish health and safety at work in the corporate culture. This event is one of the Group’s main levers for achieving “zero accident”.

The 2021 edition focused on falls and fall hazards with animations on awareness of unsafe behaviour and a campaign focused on hazard perception: “What you see is not what I see.”

Objective: reinforce the perception of professional risks, identify dangerous situations in the working environment and handle these by deploying measures to bring these risks back down to an acceptable level.

Communication tools (posters, videos, roadmap, deployment guide) were made available and full-scale hazard hunts were organised by the teams on the sites.

Through the international mobilisation it elicited, this week enabled us to value the in-field actors and pick up on over 2,000 best practices, throughout the world.

6.4.4 Management of high-risk activities

The list of high-risk activities common to all Veolia business lines is drawn up by the Prevention, Health and Safety Excellence Centre after analysis of the records of incidents and accidents including fatal accidents that occurred at Veolia. Subsequently, the members of the Excellence Centre define priorities to produce standards based on internal and external best practices.

In 2016, they drafted the ten management standards for high-risk activities in cooperation with the internal stakeholders (technical departments, operational managers, human resources departments, legal departments). A deployment guidebook was drawn up and distributed to support the business units in this process.

A matrix to evaluate the level of compliance as regards the human, organisational and technical requirements of the management standards for high-risk activities was also drawn up to

support the operational deployment within the operations. The implementation is first monitored within each country, then in each zone and is finally consolidated at Group level.

To assist the business units in appropriating the standards, the Group has set up a toolbox for each standard, including: a booklet (with the definition of the standard, hazards, identification processes, risk management and requirements), videos and best practices.

In 2019, the Group also implemented the “do and do not” approach, with the essentials describing what to do and what not to do to comply with the standards.

6.4.5 Health and safety at work management standard

The Group has a dual compliance standard: a safety management standard and ten high-risk management standards.

The members of the Prevention, Health and Safety Excellence Centre established in 2018 a health and safety at work management standard, which draws on the good practices identified within the Group’s operations.

This management standard aims to help structure and define clear guidelines to enable the management line to build and implement the continuous improvement plan which will be adapted to each business unit.

The standard was designed based on Veolia’s five strategic pillars in the area of Prevention, Health and Safety (PHS), which include specific measures, actions and requirements to achieve the “interdependent” level of safety culture in order to make zero accident a choice and aim for excellence. This health and safety at work management standard is available in several languages.

Moreover, Veolia has implemented structured and structuring prevention measures based on standards such as ILO OSH 2001, OHSAS 18001 and/or ISO 45001. Each year, throughout the world, entities are certified, labelled or rewarded for their prevention, health and safety approach.

In 2021, 62.6% of turnover was covered by an OHSAS 18001 certification (61.1% in 2020).

6.4.6 Global management of accidents

The PaTHS programme (Prevention and Training on Health and Safety), currently being deployed, includes a collaborative tool destined for all the health and safety at work interested parties of the Group.

This programme covered 45.3% of Veolia’s workforce in 2020, 51.3% in 2021, and aims to cover almost 70% of Veolia’s total workforce by the end of 2022.

Its objectives are to:

- simplify the management of health and safety events;
- improve the management of health and safety prevention processes at all levels of the organisation;
- facilitate the implementation of the Group’s health and safety prevention policy and the benchmark between geographies;
- meet global and local reporting needs;

- build a reliable health and safety database enabling harmonised data management, more flexible and secure PHS reporting, reliability of health and safety indicators and a predictive approach to risks.

It comprises six complementary, scalable and integrated modules that enable to:

- track and manage health and safety events in compliance with local regulations and Veolia processes;
- analyse the causes of an event through a harmonised corporate method;
- assess each position’s risks in relation to the Veolia risk standards;
- create and manage corrective and preventive action plans;
- anticipate and manage health and safety training, track and verify authorisations and clearances;
- generate reports, steer the health and safety performance and conduct predictive analyses.

An associated mobile app enables each employee to take part in prevention, health and safety at work.

6.4.7 Site visits and audits

Safety audits and visits to facilities are requested before operations are handed over in order to detect any risks and suggest corrective measures. Additionally, the risk prevention measures are integrated as far upstream as possible by the Group as part of the facility design and construction activity so as to eliminate any hazardous situation and guarantee a level of health and safety for future operators.

At the same time, business units set up audit programmes to develop a health and safety culture and/or ensure the application of their own health and safety requirements, or the ones defined at least by the country’s regulations, Veolia Corporate, or customers. Audits should include all stakeholders. The frequency of audits must enable a review of each operating site at least every two years. Self-assessments should be carried out in the periods between audits, at least on an annual basis. Corrective and preventive actions must be implemented following the analysis of the audit results.

In addition, the members of the Health and Safety Department at corporate level conduct technical audits each year with the main objective of ensuring the implementation of the Group’s health and safety standards and culture. These technical audits also make it possible to assess the level of maturity of the culture, in line with Veolia’s health and safety management standards. These audits are scheduled according to the proportion of activities and geographies of the Group.

Regular presentations to the Executive Committee make it possible to check the consistency between the Group’s strategy and the actions led.

During regular visits to operating sites, senior executives discuss the importance of health and safety with operational teams. In Latin America, for example, there is a programme called “VIVIR/VIVER”, led by the Area Health and Safety Prevention Department, where directors and executives are educated on health and safety at work and are trained in running “safety” visits directly on sites deemed sensitive (landfills, plants, etc.). Participants in the

training programme must subsequently carry out at least two on-site health and safety visits per year for support employees, and at least four per year for operational employees. The results

of these visits are reported to the Area Health and Safety Department.

6.5 ACTIONS FOR OUR TIER 1 SUPPLIERS AND SUBCONTRACTORS

The purchasing compliance programme includes item linked to human rights, health and safety, ethics and the environment, and is based on the following pillars: identifying risks and segmenting suppliers, committing suppliers, assessing their CSR performance and managing corrective actions.

The inclusion of a “sustainable development” and an “anti-corruption” provision in the Group’s supply and service contracts in 2018 also constitutes additional leverage for action. These provisions impose the promotion and respect of fundamental, economic, social, and environmental rights on suppliers. Finally, the Group supplemented these actions with a targeted awareness campaign for its buyers following the publication of the new version of the Veolia Suppliers’ Charter in 2019, a document in which the Group’s expectations are formalised in view of the issues raised by the duty of vigilance law.

The Group Purchasing Department rolled out in 2019 an e-learning certification, updated in 2021, for all its buyers and purchasing managers as well as for the BU and Group compliance function. The importance of taking into account issues linked to sustainable development, these being very close to the themes covered by the duty of vigilance law, is recalled during this course.

Regarding supplier evaluations described in paragraph 5.3:

- A: in case of an overall score in line with Veolia’s expectations, the supplier must be reassessed every three years;
- B: in the event of an overall score that does not meet Veolia’s expectations, the buyer must work with the supplier to identify and implement corrective actions. The supplier must be reassessed the following year and demonstrate improved performance.

If a supplier’s score is not compliant and is below a certain threshold for three consecutive years, the supplier will be delisted until a compliant score is achieved.

Since the second quarter of 2019, in order to complete its monitoring system and within the framework of the duty of vigilance law, the Group implemented an in-house site inspection report solution (available in ten languages), organised around the main issues relating to health/safety, environment and human rights. Should a non-conformity be detected, buyers must implement a corrective action plan with the supplier.

Monitoring subcontractors and temporary employment agencies

In application of the Suppliers’ Charter, they must take measures to guarantee the health, safety and well-being of their employees. Thus, for subcontracted activities, a preliminary risk analysis enables to set out in a contract the prevention measures to be observed by all workers, who are regularly audited.

Depending on the specific type of activity performed by Veolia, the regulatory provisions as well as the cultural adaptation approach are integrated into the health and safety management of stakeholders within the Group.

The management of subcontractors working on the sites and on Veolia customer premises is of vital importance in the global health and safety management policy. Veolia’s health and safety at work management standards state that each Veolia business unit must have an exhaustive list of its subcontractors and must communicate to them Veolia’s health and safety requirements in relation to the subcontracted tasks.

A documented risk assessment is carried out jointly by the business unit, the subcontractor and all companies operating in the work area, in order to define common preventive measures. A system for assessing health and safety requirements is introduced and affects the listing and renewal of the subcontracting company. The system provides for the temporary or permanent exclusion of a subcontractor in the event of a serious breach of prevention, health and safety rules.

Business units set up a health and safety reception for employees of subcontractors working on Veolia’s sites. This training session includes a final test with a minimum threshold to be reached in order to be allowed to work on the site. A manager is identified on each site to supervise subcontractors.

Subcontractors inform the Prevention, Health and Safety Department through “safety alerts” in the event of accidents occurring Group-wide.

As part of a continuous improvement process, Veolia has been monitoring the work-related accidents of subcontractors in the same way as employees since 2018.

For temporary workers, a system has been set up to monitor occurred accidents through annual meetings with the representatives of the temporary employment agencies, define suitable prevention measures, share best practices and assess the performance of these agencies.

6.6 ASSOCIATED STAKEHOLDERS

As part of the social dialogue in place at Veolia, the duty of vigilance issue is regularly raised at meetings of the Group's French and European committees. In 2020 and 2021, the Covid-19 crisis led to the close involvement of employee representatives in

steering the action plan deployed by the Group, with a view to dealing with the consequences of the pandemic that Veolia's employees and external stakeholders could face.

6.7 SUPPORT OF OPERATIONS

The compliance, sustainable development, and human resources networks ensure effective monitoring of Veolia's human rights issues.

As previously stated in section 5 – Assessment, and depending on circumstances, discussions are organised between the Group's Human Rights and Vigilance Manager and each correspondent of the Group's areas. These talks are an opportunity to review the progress of actions already undertaken, discuss the action plans envisaged, and recall possible difficulties in the operational implementation of duty of vigilance themes in the areas involved. In particular, these meetings help better consider the local specificities of each area/BU within the framework of the Group's global human rights policy.

Environmental issues are monitored by Veolia's Business Support and Performance Department. Health and safety fall within the scope of the Human Resources Department.

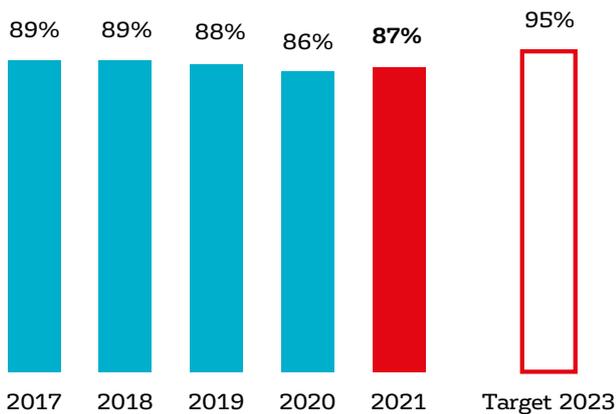
In 2021, guidelines for the implementation of the duty of vigilance were formally approved by the Committee. Focusing on the operational entities, these guidelines formalise and explain the Group's expectations on this matter. They are also a useful reference for Veolia's Internal Audit teams to rely on to complete future tasks dedicated to the duty of vigilance.

KEY PERFORMANCE INDICATORS

7.1 HUMAN RESOURCES

7.1.1 Share of employees⁽¹⁾ covered by a social dialogue committee

Trends in social dialogue committee coverage rate



This indicator makes it possible to ascertain the level of deployment of social dialogue agreements within the Group. These agreements are a privileged lever for action to guarantee the respect and implementation of employees' rights.

7.1.2 Type of agreements signed

% of categories within the agreements signed worldwide

	2019	2020	2021
Remuneration and employee benefits	32.9%	32.9%	34.6%
Health, safety or work conditions	12.6%	10.2%	10.7%
Working time organisation	27.3%	39%	35.2%
Social dialogue	14.0%	6.4%	7%
Skills development	5.7%	4.7%	4.8%
Other	7.5%	6.8%	7.7%

7.1.3 Share of employees having followed at least one health and safety training course over the year



The constant progression of this indicator over the past five years highlights Veolia's commitment to guaranteeing a healthy and safe working environment for its employees.

(1) As a reminder, Veolia employed 176,488 people as of 31 December 2021.

7.1.4 Work accident frequency rate

Trends in the work accident frequency rate since 2010



Frequency rate: number of accidents with lost time per million of hours worked.

The work accident frequency rate⁽¹⁾ is a highly revealing indicator of an organisation's health and safety performance. The steady decline in this rate is the result of Veolia's determined and uninterrupted policy in this area.

7.2 ENVIRONMENT

7.2.1 Deployment rate of the Environmental and Industrial Management System



The EIMS (see section 6.3) is a key tool for managing Veolia's environmental risks.

The monitoring of its deployment level therefore seems relevant and essential.

It should be noted that the EIMS implementation target was achieved two years ahead of schedule.

7.2.2 Additional management systems

The common EIMS base is reinforced locally by additional integrated management system certifications, including the ISO 14001 standard relating to the environment and ISO 9001 relating to

quality management. Combined with the EIMS, they contribute to improving the monitoring of Veolia's environmental risks.

ISO 14001 certifications (in % of turnover covered)



(1) Number of work accidents with lost time per million of hours worked.

ISO 9001 certifications (in % of turnover covered)



7.3 TIER 1 SUPPLIERS AND SUBCONTRACTORS

7.3.1 Percentage of strategic suppliers assessed



Assessing strategic supplier⁽¹⁾ sustainable development is an essential step to meet the requirements of the duty of vigilance law. After five years, the monitoring trend is clearly positive.

7.3.2 Sustainable development provision in supply and service agreements

	KEY PERFORMANCE INDICATOR	2017	2018	2019	2020	2021
Commit suppliers	Share of active contracts including sustainable development provisions	57%	63%	71%	76%	88%

The inclusion of this provision in 2018 is a strong lever for action. This provision imposes the promotion and respect of fundamental, economic, social, and environmental rights on suppliers and subcontractors of the Group.

7.4 WHISTLEBLOWING LINE

Alerts relating to the duty of vigilance and reports via the internal system as of 31 December 2021

	2019	2020	2021
Total number of alerts (A)	13	38	35
Human rights (B)	1	16	1
Health and safety (C)	12	18	16
Damage to the environment (D)	0	3	1
Suppliers and subcontractors (E)	0	1	17

Note: the cumulative total B + C + D + E may be greater than A, because some alerts may fall under several categories.

(1) Veolia defines a strategic supplier on the basis of the following cumulative criteria:
 – weight of the expense item;
 – significant impact on the Group's energy consumption;
 – supply of products and/or services essential to the Group's operational activity.

Resourcing the world

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